#### Attachment

## Clean On-Road School Buses: Initial Regulatory Concepts

## **Background**

➤ The Air Resources Board (ARB) staff is developing a regulatory proposal that would impact school bus operators within the South Coast Air Basin. The proposal would be based on the South Coast Air Quality Management District (SCAQMD) Rule 1195. The ARB staff will be participating in one or more work group meetings with fleet personnel to further develop the proposal.

Rule 1195 requires public and private school bus fleet operators with 15 or more school buses to acquire alternative-fueled school buses, when purchasing or leasing these vehicles, if funding is available. If an alternative-fuel purchase is not possible, the rule requires the retrofit of existing school buses with an ARB-verified control device, if funding is available.

For further information regarding Rule 1195 go to the following link: <a href="http://www.aqmd.gov/tao/FleetRules/1195SchoolBus/index.htm">http://www.aqmd.gov/tao/FleetRules/1195SchoolBus/index.htm</a>

#### **ARB Staff's Draft Regulatory Concepts**

- The proposal cannot mandate costs that are not reimbursable on public school districts.
- ➤ The purchase of regulation-compliant vehicles will be dependent on available incentive funding; the amount and type of incentive funding available would determine the mix of school bus projects funded.
- As part of its regulatory proposal, the ARB staff is considering a menu of compliance options, all contingent on available incentive funding:
  - Performance-based emissions levels that are lower than required standards for the 2005 through 2006 model years and for 2007 and later model years (Best Available Purchase Option).
  - Requirements for retrofits with technologies that achieve emission reductions in both oxides of nitrogen (NOx) and particulate matter (PM) or PM alone.

# **Potential Sources of Funding**

- Assembly Bill 923 \$2.00 motor vehicle surcharge fee increase can be used for new heavy-duty school bus purchases: SCAQMD devoting \$14 million minimum over next 18 months; expect similar ongoing funding levels.
- Carl Moyer Program for NOx/PM and PM retrofits.
- Mobile Source Air Pollution Review Committee Funds.